

### EUROPEAN UNION (EU) TRADE WITH JAPAN (1)

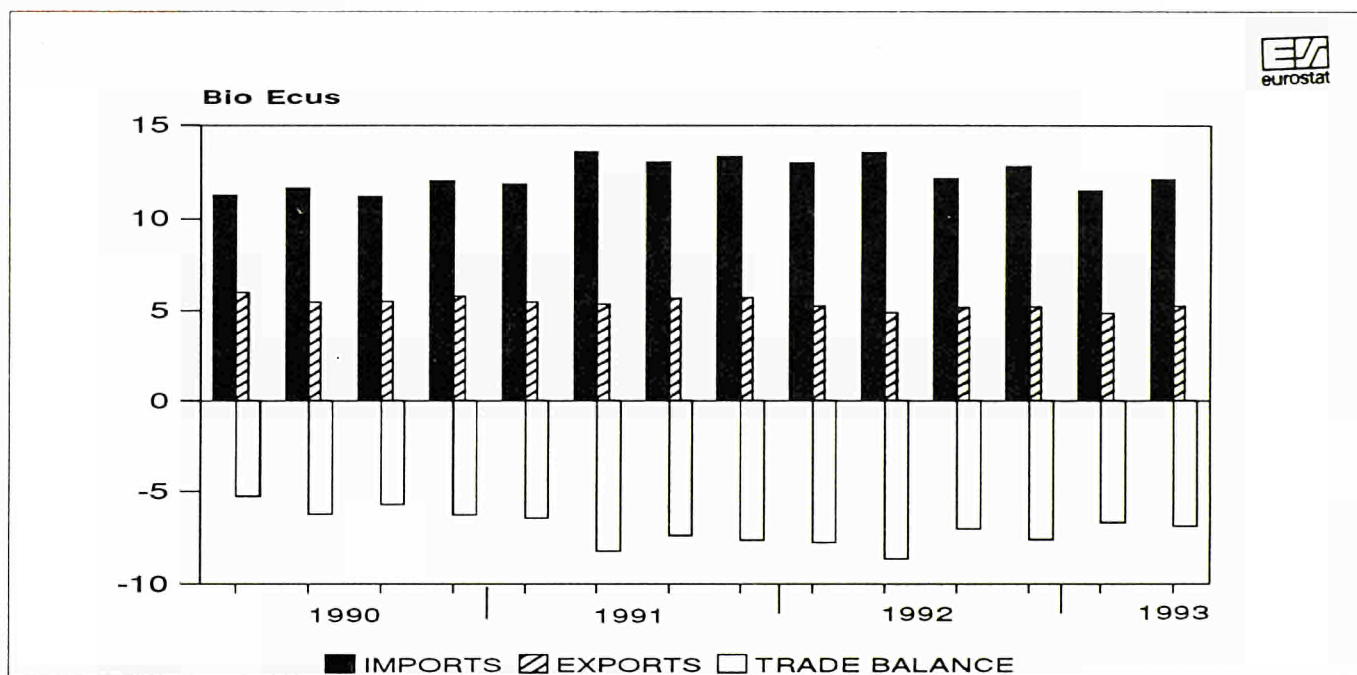
-Results until June 1993-

#### Part I: Summary

EU trade deficit with Japan was 13,5 billion ecus in the first half of 1993, while for the same period of 1992 this deficit was 16,5 billion ecus. This decrease of the EU's trade deficit is mainly due to the reduction of EU imports from Japan (10,9%). EU exports to this country went down 0,2% between the first six months of 1992 and 1993. The Federal Republic of Germany was the most important EU trade partner with Japan, with 31,2% of total EU imports and 34,4% of total EU exports to this country. Trade between the two partners is very concentrated on manufactured

products, with 99% of total EU imports and 82% of total EU exports. The main EU imports by SITC product divisions were road vehicles (6,3 billion ecus), office machinery (3,2 billion ecus), electrical machinery (2,6 billion ecus) and telecommunications, sound equipment (2,3 billion ecus). The main EU exports to Japan during the same period were road vehicles (1,3 billion ecus), medical and pharmaceutical products (0,7 billion ecus), organic chemicals (0,6 billion ecus) and miscellaneous manufactured goods (0,5 billion ecus).

#### EU trade flows with Japan



Source EUROSTAT, COMEXT, CRONOS, and TREND databases.  
(1) External Trade Statistics (Imports CIF, Exports FOB). SITC rev.3.

Manuscript completed on = 01.05.1994

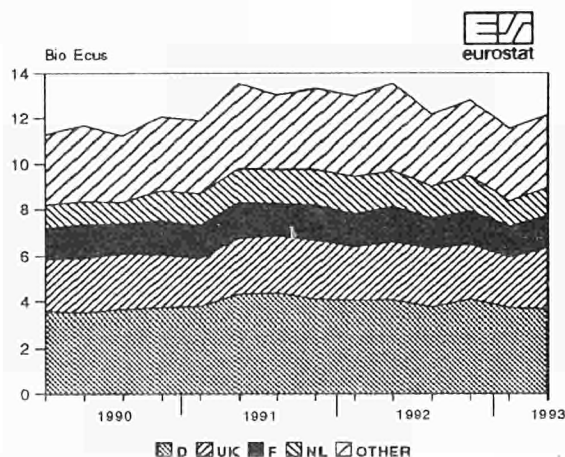
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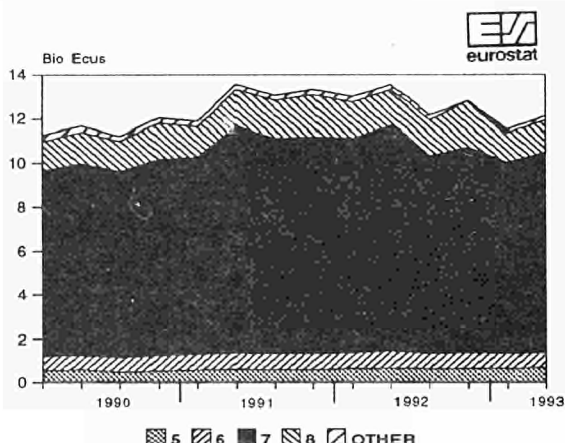
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## Part II: EU imports from Japan by EU partners and SITC sections.

### ... by main EU partners



### ... by main SITC sections



1. EU imports from Japan went down 10,9% to 23,6 billion ecus during the first six months of 1992 and 1993. In volume terms this decrease was around 19,5%.

2. The Federal Republic of Germany absorbed the largest share of total EU imports from Japan (31,2%), followed by the United Kingdom (20,6%), France (11,4%) and Netherlands (9,9%).

3. The EU countries which experienced the largest decreases of their imports from Japan during the first half of 1993 were Spain (-37,0%), Netherlands (-27,0%) and Belgium-Luxembourg (-22,7%). Ireland, Greece and Portugal registered increases of their imports of 38,7%, 24,5% and 4,1% respectively.

4. EU imports of manufactured products (SITC 5-8) went down 10,6% (19,7% in volume terms) between the first six months of 1992 and 1993. The largest decreases of imports among these products were experienced by miscellaneous manufactured goods (SITC 8) with 14,4% and machinery and transport equipment (SITC 7) with 11,0%. Only imports of chemical products (SITC 6) registered an increase (1,6%) during these two periods. EU imports of manufactured products accounted for 99% of total EU imports from Japan in the first half of 1993.

## EU imports from Japan by SITC sections

Trade by products (SITC)	VALUE						VOLUME		
	1992 01-12 Bio ecus	1993 01-06 Bio ecus	1993 04-06 Bio ecus	92/91 01-12 % var	93/92 01-06 % var	93/92 04-06 % var	92/91 01-12 % var	93/92 01-06 % var	93/92 04-06 % var
<b>JAPAN</b>									
- Total (value 0-9) (volume 0-8)	51,5	23,6	12,1	-0,6	-10,9	-10,4	-6,8	-19,6	-20,3
- Raw materials (0-4)*	0,4	0,2	0,1	-7,0	-6,8	7,0	-11,3	-12,4	-5,0
- Manufactured products (5-8)	50,6	23,3	11,9	-0,5	-10,6	-10,5	-6,8	-19,7	-20,6
- Chemicals (5)	2,6	1,3	0,7	8,8	1,6	3,0	6,1	-7,8	-8,9
- Manufactured goods (6)	3,0	1,4	0,7	-0,9	-9,3	-12,8	-5,3	-15,5	-19,5
- Mach. and transport equip. (7)	38,3	17,8	9,1	-1,5	-11,0	-10,9	-8,2	-19,4	-20,2
- Miscell. manuf. (8)	6,7	2,8	1,5	2,0	-14,4	-11,8	-4,5	25,1	-24,4
- Other products (9)	0,5	0,2	0,1	-0,9	-36,1	-17,0	-	-	-
<b>MEMORANDUM ITEM</b>									
- Extra-EU total imports	487,7	241,4	119,7	-1,3	-3,7	-2,7	0,8	-5,9	-5,5
- Japan total imports	179,3	99,1	50,3	-5,6	8,6	11,5	-	-	-
- EU imports from USA	86,8	44,9	21,2	-5,6	-5,0	-5,7	-6,8	-11,8	-13,8
- Japan imports from USA	40,6	-	-	-6,5	-	-	-	-	-

\* Fuels (SITC 3) non included in volume

Source: EUROSTAT  
SITC: Standard International Trade Classification



# Part III: EU imports from Japan by main SITC divisions.

## ... by main SITC divisions



SITC	1993 01-06  Bio ecus	93/92 01-06  % var	1993 01-06 percentage share in		
			Total extra-EU imports by products*	EU imports from Japan	Cumul
78 Road vehicles	6,3	-8,9	52,2	26,7	26,7
75 Office machinery	3,2	-10,4	24,7	13,5	40,3
77 Electrical machinery nes**	2,6	0,0	19,5	10,8	51,1
76 Telecom, sound equip.	2,3	-26,8	30,0	9,9	61,0
74 General ind. machinery	1,2	-17,3	17,9	5,1	66,1
89 Misc. manuf. goods	1,1	-16,4	8,8	4,7	70,8
88 Photo equip., optical	0,9	-13,7	26,9	4,0	74,8
72 Mach. for special ind.	0,8	-10,5	17,3	3,6	78,4
71 Power generating equip.	0,8	22,0	11,7	3,2	81,6
87 Precision instruments	0,6	-14,8	12,4	2,6	84,2

\*) i.e. EU imports from Japan of a specific product related to total extra-EU imports of this product.

\*\*) nes=not elsewhere specified

Source: EUROSTAT

1. EU imports of road vehicles were down 8,9% to 6,3 billion ecus during the first six months of 1992 and 1993. They represented around 27% of total EU imports from Japan, and more than 52% of total extra-EU imports of road vehicles.

2. EU imports from Japan are highly concentrated: three SITC product divisions (road vehicles, office machinery and electrical machinery n.e.s.) covered more than 50% of total EU imports from this country.

3. The SITC divisions which contributed most to the overall decrease of total EU imports from Japan during the first half of 1993 were telecommunications and sound equipment, road vehicles, office machinery and general industrial machinery.

4. In spite of the global reduction of EU imports, some SITC product divisions experienced increases on their imports during the first six months of 1993 when compared to the same period of 1992. The most important were power generating equipment, organic chemicals, chemical materials and clothing and accessories.

## ... by main SITC divisions contributing most to the change of import flows (1)



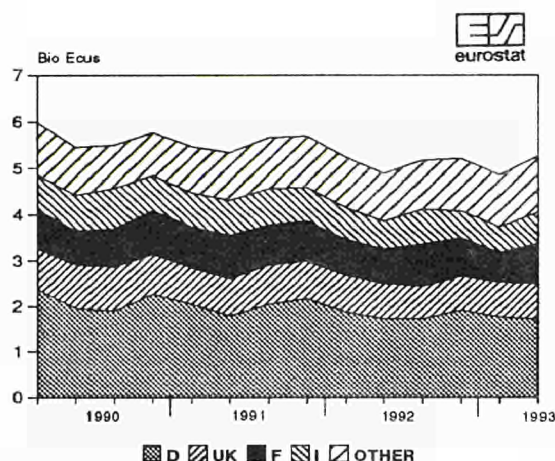
INCREASE			DECREASE		
SITC	1993	93/92	SITC	1993	93/92
	01-06	01-06		01-06	01-06
	Bio ecus	% var		Bio ecus	% var
71 Power generating equip.	0,8	22,0	76 Telecom, sound equip.	2,3	-26,8
51 Organic chemicals	0,5	5,4	78 Road vehicles	6,3	-8,9
59 Chemical materials	0,1	10,8	75 Office machinery	3,2	-10,4
84 Clothing and access.	0,1	18,4	74 General ind. machinery	1,2	-17,3
55 Perfume, cleaning, etc	0,0	38,0	89 Misc. manuf. goods	1,1	-16,4
07 Coffee, tea and spices	0,0	141,0	88 Photo equip. optical	0,9	-13,7
52 Non organic chemicals	0,1	17,1	87 Precision instruments	0,6	-14,8
82 Furniture and parts	0,0	11,5	72 Mach. special ind.	0,8	-10,5
28 Metall. ores	0,0	14,7	73 Metalworking machinery	0,3	-25,8
11 Beverages	0,0	15,5	69 Metal manuf. articles	0,3	-18,6

(1) calculated as value x percentage of increase

Source: EUROSTAT

## Part IV: EU exports to Japan by EU countries and SITC sections.

### ... by main EU countries



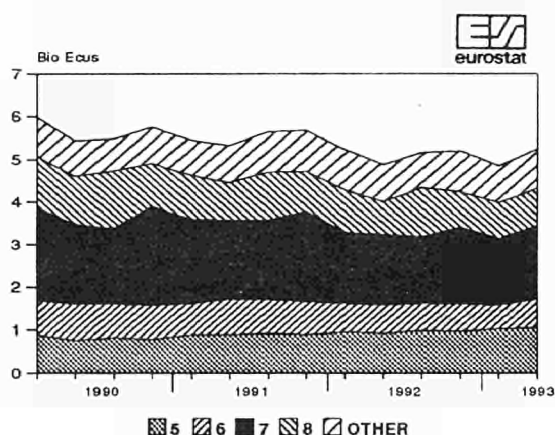
1. EU exports to Japan diminished slightly between the first six months of 1992 and 1993 (0,2%) In volume terms this decrease was around 4%.

2. As in the case of imports, the Federal Republic of Germany was the biggest exporter to Japan among the EU countries (34,4%), followed by the United Kingdom (15,3%) and France (15,0%).

3. The largest decreases of exports in the first half of 1993 when compared to the same period of 1992 were experienced by Portugal (14,1%) and Italy (4,2%), while the most important increases were registered by Ireland, Greece and Belgium-Luxembourg with 37,1%, 29,5% and 7,8% respectively.

4. EU exports of manufactured products to Japan (around 82% of total EU exports to this country) during the period January-June 1993 went up 0,1% to 8,3 billion ecus. This is mainly due to the rise in the EU exports of chemical products (10,7%). EU exports of primary products (SITC 0-4) increased by 2,3% to 1,4 billion ecus during the first six months of 1993.

### ... by main SITC sections



## EU exports to Japan by SITC sections



Trade by products (SITC)	VALUE						VOLUME		
	1992	1993	1993	92/91	93/92	93/92	92/91	93/92	93/92
	01-12	01-06	04-06	01-12	01-06	04-06	01-12	01-06	04-06
	Bio ecus	Bio ecus	Bio ecus	% var	% var	% var	% var	% var	% var
<b>JAPAN</b>									
- Total (value 0-9) (volume 0-8)	20,5	10,1	5,3	-7,4	-0,2	7,7	-10,2	-4,1	1,8
- Raw materials (0-4)*	2,8	1,4	0,7	0,3	2,3	10,4	-1,8	-1,1	1,3
- Manufactured products	16,9	8,3	4,3	-8,7	0,1	7,7	-11,4	-3,9	2,1
- Chemicals (5)	3,8	2,1	1,1	6,6	10,7	13,5	3,5	0,9	1,8
- Manufactured goods (6)	2,6	1,2	0,7	-16,4	-8,8	0,9	-14,4	-5,9	2,2
- Mach. and transport equip. (7)	6,7	3,3	1,7	-14,8	-0,5	4,4	-19,4	-5,7	-2,5
- Miscell. manuf. (8)	3,8	1,7	0,9	-4,9	-3,2	13,5	-6,1	-1,5	14,1
- Other products (9)	0,9	0,4	0,2	-4,4	-13,0	-0,9	-	-	-
<b>MEMORANDUM ITEM</b>									
- Extra-EU total exports	435,7	227,2	118,8	2,9	6,1	10,8	1,3	5,8	10,1
- Japan total exports	261,7	147,4	73,7	3,4	12,7	15,1	-	-	-
- EU exports to the USA	73,9	38,4	20,8	3,8	7,4	14,5	1,7	2,9	10,2
- Japan exports to the USA	74,4	-	-	0,7	-	-	-	-	-

\* Fuels (SITC 3) not included in volume

Source: EUROSTAT



## Part V: EU exports to Japan by main SITC divisions

... by main SITC divisions

SITC		1993	93/92	1993		
		01-06	01-06	01-06		
		Bio ecus	% var	percentage share in		
				Total extra-EU exports by products*	EU exports to Japan	Cumul
78	Road vehicles	1,3	-12,2	6,5	13,1	13,1
54	Medic., pharm products	0,7	10,0	10,3	6,9	20,0
51	Organic chemicals	0,6	16,0	9,1	5,9	25,9
89	Misc. manuf. goods	0,5	-5,4	4,9	5,0	31,0
77	Electrical mach. nes**	0,5	19,3	3,3	4,6	35,6
72	Mach. for special ind.	0,4	-1,6	3,1	4,6	40,1
66	Non metallic min. manuf.	0,4	-9,3	5,3	4,4	44,6
84	Clothing and accessories	0,4	-8,7	8,6	4,4	49,0
75	Office machinery	0,4	85,0	6,9	3,9	52,9
74	General ind. machinery	0,4	6,6	2,5	3,6	56,5

\*) i.e. EU exports to Japan of a specific product related to total extra-EU exports of this product.

\*\*) nes= not elsewhere specified



Source: EUROSTAT

1. As in the case of imports, the most important SITC product division exported to Japan in the first half of 1993 was road vehicles. They represented around 13% of total EU exports to Japan, and 6,5% of total extra-EU exports of road vehicles. However, EU exports of this product went down by 12,2% to 1,3 billion ecus in the first half of 1993, when compared to the same period of 1992.

2. EU exports to Japan are less concentrated than imports, and the range of products traded is wider. Eight SITC product divisions were required to cover 50% of total EU exports to this country. After road vehicles, the most

important EU exports in the first half of 1993 were medical and pharmaceutical products and organic chemicals.

3. The SITC product divisions which contributed most to the global decrease of EU exports to Japan in the first half of 1993 were road vehicles, textile yarn and fabrics and other transport equipment.

4. There were several SITC divisions which experienced increases of their exports during the period considered. The most important were office machinery, organic chemicals, electrical machinery n.e.s. and medical, pharmaceutical products.

... by SITC divisions contributing most to the change of exports flows (1)

INCREASE				DECREASE			
SITC		1993	93/92	SITC		1993	93/92
		01-06	01-06			01-06	01-06
		Bio ecus	% var			Bio ecus	% var
75	Office machinery	0,4	85,0	78	Road vehicles	1,3	-12,2
51	Organic chemicals	0,6	16,0	65	Textile yarn, fabrics	0,3	-15,1
77	Electrical mach. nes	0,5	19,3	79	Other transport equip.	0,1	-31,2
54	Medical, pharm products	0,7	10,0	66	Non metal min. manuf.	0,4	-9,3
59	Chemical materials	0,2	16,3	84	Clothing and access.	0,4	-8,7
06	Sugar and preparation	0,0	111,9	11	Beverages	0,3	-10,4
03	Fish	0,1	25,7	73	Metalworking machinery	0,1	-40,2
02	Dairy products	0,1	30,9	89	Miscell. manuf. goods	0,5	-5,4
74	General ind. machinery	0,4	6,6	82	Furniture and parts	0,1	-24,6
28	Metaliferrous ores	0,1	40,2	68	Non ferrous metals	0,1	-12,3

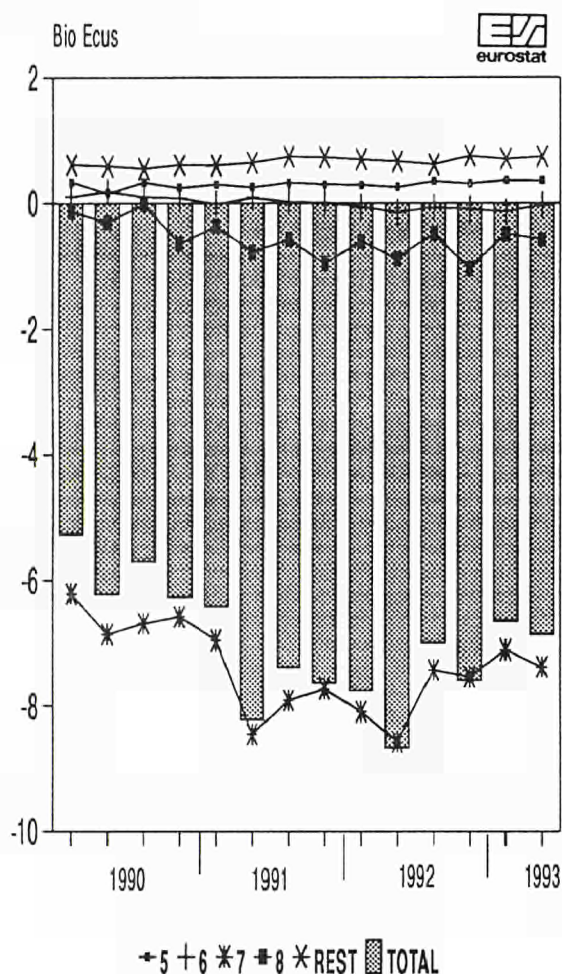
(1) calculated as value x percentage of increase

Source: EUROSTAT



## Part VI: EU trade balance with Japan

### ... by SITC sections



1. EU's trade deficit with Japan went down 18,2% to 13,5 billion ecus in the first half of 1993, when compared to the same period of 1992.

2. The EU registered a surplus of 1,2 billion ecus for raw materials (SITC 0-4) and 0,2 billion ecus for other products (SITC 9). The largest share of the EU's trade deficit with Japan in the first six months of 1993 was concentrated in machines and transport equipment (SITC 7): 14,5 billion ecus, followed by miscellaneous manufactured goods, with a deficit of 1,1 billion ecus. The EU kept a surplus of 0,8 billion ecus with Japan in chemical products (SITC 5) during the same period.

3. The biggest trade deficits by EU partners with Japan in the first half of 1993 were registered by the Federal Republic of Germany (around 4 billion ecus, with a reduction of 13,3% from the same figure of 1992) and United Kingdom (3,3 billion ecus, with an increase of 1,5%).

4. The only EU country which experienced a significant surplus with Japan during the period considered was Denmark (0,15 billion ecus). Ireland registered a balanced position with this partner.

### ... by SITC sections



	1990 01-12 Bio ecus	1991 01-12 Bio ecus	1992 01-12 Bio ecus	1992 07-09 Bio ecus	1992 10-12 Bio ecus	1993 01-03 Bio ecus	1993 04-06 Bio ecus
<b>JAPAN</b>							
- Total trade (0-9)	-23,5	-29,7	-31,0	-7,0	-7,6	-6,7	-6,8
- Raw materials (0-4)	2,2	2,4	2,4	0,6	0,6	0,6	0,6
- Manuf. products (5-8)	-25,9	-32,4	-33,7	-7,6	-8,3	-7,4	-7,6
- Chemicals (5)	1,1	1,2	1,2	0,4	0,3	0,4	0,4
- Manuf. goods (6)	0,5	0,1	-0,4	-0,1	-0,1	-0,1	0,0
- Mach. and transport equip.(7)	-26,4	-31,1	-31,6	-7,4	-7,5	-7,1	-7,4
- Miscell. manuf. art. (9)	-1,1	-2,7	-3,0	-0,5	-1,0	-0,5	-0,6
- Other products (9)	0,1	0,4	0,3	0,1	0,1	0,1	0,1
<b>MEMORANDUM ITEM</b>							
- Extra-EU trade balance	-42,9	-70,5	-52,1	-9,2	-6,7	-12,6	-0,9
- JAPAN trade balance	41,2	62,8	82,2	18,9	22,7	24,9	23,4
- EU-USA trade balance	-8,6	-20,7	-12,9	-0,2	-1,0	-5,9	-0,4
- JAPAN-USA trade balance	29,9	30,9	33,8	-	-	-	-

Source: EUROSTAT



# Part VII: EU trade balance with Japan by main SITC divisions



## ...the largest imbalances

DEFICIT EU		1991 01-12 Bio ecus	1992 01-12 Bio ecus	1992 07-09 Bio ecus	1992 10-12 Bio ecus	1993 01-03 Bio ecus	1993 04-06 Bio ecus
<b>SITC</b>							
78	Road vehicles	-8,94	-10,12	-2,48	-2,18	-2,67	-2,34
75	Office machinery	-6,62	-6,62	-1,53	-1,74	-1,33	-1,47
76	Telecom., sound equip.	-7,27	-6,30	-1,46	-1,71	-1,08	-1,19
77	Electrical machinery	-4,37	-4,18	-1,01	-0,99	-1,00	-1,10
88	Photo equip., optical	-2,05	-1,86	-0,44	-0,46	-0,38	-0,42
74	General ind. machinery	-1,69	-1,90	-0,43	-0,35	-0,36	-0,49
89	Misc. manuf. goods	-1,53	-1,95	-0,45	-0,69	-0,31	-0,31
71	Power generating equip.	-0,90	-1,05	-0,27	-0,26	-0,28	-0,36
72	Mach. for special ind.	-0,78	-0,91	-0,21	-0,21	-0,18	-0,28
87	Precision instruments	-0,79	-0,78	-0,16	-0,18	-0,15	-0,18

SURPLUS EU		1991 01-12 Bio ecus	1992 01-12 Bio ecus	1992 07-09 Bio ecus	1992 10-12 Bio ecus	1993 01-03 Bio ecus	1993 04-06 Bio ecus
<b>SITC</b>							
54	Medic. pharm. products	0,70	0,80	0,22	0,18	0,23	0,24
84	Clothing and accessories	0,94	0,88	0,35	0,13	0,20	0,15
11	Beverages	0,78	0,75	0,20	0,18	0,15	0,18
01	Meat and preparations	0,53	0,61	0,15	0,16	0,13	0,17
83	Travel goods, handbags	0,35	0,35	0,09	0,09	0,09	0,09
66	Non metal. min. manuf.	0,65	0,39	0,09	0,08	0,09	0,11
55	Perfume, cleaning etc..	0,22	0,24	0,06	0,06	0,06	0,06
59	Chemical materials and products	0,16	0,15	0,03	0,05	0,05	0,04
05	Vegetables and fruits	0,11	0,11	0,02	0,03	0,04	0,03
02	Dairy products and birds eggs	0,16	0,12	0,03	0,03	0,04	0,04

Source: EUROSTAT

1. The EU sustained the largest deficits with Japan in the first six months of 1993 for the following SITC products divisions: road vehicles (5,01 billion ecus), office machinery (2,80 billion ecus), telecommunications, sound equipment (2,27 billion ecus), electrical machinery (2,20 billion ecus) and general industrial machinery (0,85 billion ecus).

2. The largest EU surplus were recorded for the following product divisions: medical and pharmaceutical products (0,47 billion ecus), clothing and accessories (0,35 billion ecus), beverages (0,33 billion ecus), meat and preparations (0,30 billion ecus) and non metal mineral manufactures (0,20 billion ecus).

# Part VIII: EC trade balance with Japan

